THE DIRECTOR OF CENTRAL INTELLIGENCE WASHINGTON, D. C. 20505

8 May 1974

MEMORANDUM FOR:

The Honorable James R. Schlesinger

The Secretary of Defense

Portugal SUBJECT

Attached is a quick cut at an estimative look at the new regime in Portugal, surveying the forces at work in the new Portuguese situation and the policies the new regime may follow in the near term future. It was done by a group drawn from CIA, DIA and INR. Portugal, the horses are barely out of the starting gate in this new political race and at this stage they are still bunched. The attached assessment is hence short-ranged in its focus, though it does try to canvass the forces at work and identify crunch points that will have to be surmounted in the weeks immediately ahead.

I know relatively little about Portugal and certainly far less than the authors of this paper. My uninformed instincts, however, make me personally somewhat less sanguine than they about the risk of a counter-coup,

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As soon as they have some more evidence to go on, my colleagues will re-examine the Portuguese situation with a specific eye toward trying to ascertain the new regime's likely policy toward the U.S. in general and base negotiations in particular, a point it does address in its summary section.

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Attachment

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